



United States  
Department of  
Agriculture

Office of the  
Assistant Secretary  
for Administration

Office of  
Human Resources  
Management

1400 Independence  
Avenue SW  
Washington, DC  
20250-9600

SEP - 7 2004

**TO:** Resource Managers/Administrative Officers  
Departmental Administration and Staff Offices

**FROM:** Mary Jo Thompson *Mary Jo Thompson*  
Director  
Executive Resources and Services Division

**SUBJECT:** 2004 Performance Review Board Requirements for SES

This memorandum serves as a reminder of the requirements and timetables for submitting required information for the 2004 SES Performance Review Board (PRB).

All SES revised performance requirements should be in place as of July 1, 2004. For our records, please submit by September 10, 2004, a copy of your revised performance agreements of your SES members, signed and dated no later than July 1, 2004.

Because the rating cycle for SES will end on September 30, 2004, your SES members should be preparing their 2-page statement of accomplishments for FY 2004. Their statements should be completed by September 30, 2004, so that the rating officials and/or reviewing officials will have them available when initial performance ratings are prepared and reviewed. The completed, original SES Appraisal Record, (AD-435C), along with the 2-page statement of accomplishments should be submitted to Barbara Holland, in Room 14-W, Whitten Building, no later than October 20, 2004. The AD-435C form has been revised to eliminate references to pay rate or ES rates and now refer to base salary or salary increases as appropriate. For your convenience, we will send you an electronic version of the appraisal form. Please ensure that the top portion has been completed in its' entirety and that there is current accounting data provided.

Please share the attachments with your SES members. They include the compensation guidelines which addresses both salary increases and individual bonus amounts, the timetable for the 2004 PRB process, a hard copy of the revised AD-435C, and draft guidance on the 2004 Presidential Rank Awards. If you have additional questions, please contact Barbara Holland of my staff at (202) 720-5618.

Attachments

## TIMETABLE FOR FY 2004 PERFORMANCE REVIEW BOARD PROCESS

ACTION ITEMS	DUE NO LATER THAN:
1. PRBs established/scheduled and membership provided to Executive Resources and Services Division (ERSD).	9/1/04
2. SES Contacts provide listing by mission area/agency of career SES members with salaries. (This listing should be all career SES members on board as of 9/30; please include any executives that will EOD by 9/30 and eliminate any executives that are scheduled to separate by 9/30.)	9/8/04
3. ERSD conducts training on new SES appraisal system and related issues to PRB members.	9/17/04
4. Executives complete 2-page statement on accomplishments.	9/30/04
5. Rating officials complete initial ratings on SES performance.	10/7/04
6. Executives may respond in writing to initial ratings/comments from reviewers and return response to supervisor to be included in performance appraisal package.	10/14/04
7. Executive Secretaries conduct pre-briefings with PRB Chairperson and members to provide specific information on their PRBs (i.e., PRB bonus pool, procedures, etc.)	10/15/04
8. Career SES ratings and related recommendations/justifications submitted to PRB Executive Secretary.	10/20/04
9. Executive Secretaries submit names of bonus/rank award nominations to mission area/agency CR Directors.	10/21/04
10. Executive Secretaries send appraisal packages to PRB members.	Varies (at least 1 week prior to PRB)
11. Ratings and related recommendations/justifications of career agency heads and noncareer SES members submitted to ERSD.	10/26/04
12. PRBs meet between October 27 - November 10 to review and recommend SES performance actions.	11/10/04
13. PRB recommendations/435-Cs with required justifications and statistical reports on PRB recommendations submitted to ERSD; CR Directors' reports on bonus/rank award nominations submitted to ERSD.	11/16/04
14. Decision package on PRB recommendations submitted to Secretary	11/26/04
15. Obtain Secretary's decision on SES performance actions.	12/3/04
16. Transmit bonus information to NFC.	12/6/04
17. Congratulatory letters autopened.	12/8/04
18. Original AD 435-Cs autopened.	12/8/04
19. Finalize Presidential Rank Award nominations and submit to ERSD.	1/15/05
20. Rank Award nominations submitted to OPM.	1/30/05

# Senior Executive Service APPRAISAL RECORD

Employee Comments Attached

☐ Yes☐ No

APPRAISAL PERIOD

From

To

NAME (Last, First, MI)

BASE SALARY

TITLE

PRB

AGENCY

SOCIAL SECURITY #

ACCOUNTING CODE

DATE ENTERED SES

DATES OF LAST: (MM/YY)

Bonus:

Salary Increase:

D. Rank

M. Rank

## SUPERVISORS INITIAL RATING

PERFORMANCE ELEMENT  
(check box if element is critical)Exceeds  
Fully  
SuccessfulMeets  
Fully  
SuccessfulDoes Not  
Meet Fully  
Successful

1. Leadership/Management

X

2. Mission Results

X

3.

4.

5.

6.

Exceeds

Meets

Does Not  
Meet

TOTAL

SUMMARY RATING

(CHECK ONE)

OUTSTANDING

☐ All appraisal units are at "Exceeds".

SUPERIOR

☐ More appraisal units are at "Exceeds" than at "Meets fully successful" but none are rated "Does not meet".

FULLY SUCCESSFUL

☐ Any combination of appraisal units which falls between "Superior" and "Minimally Satisfactory".MINIMALLY SATISFACTORY  
"Exceeds".☐ More appraisal units are at "Does not meet" than atUNSATISFACTORY  
meet".☐ One or more critical elements are appraised at "Does notI have a copy of the Government wide standards of conduct (including USDA/Agency regs). ☐ Yes☐ No

I attended the required annual ethics training.

☐ Yes☐ No

EMPLOYEE SIGNATURE &amp; DATE

SUPERVISOR'S SIGNATURE &amp; DATE

REVIEWER'S SIGNATURE &amp; DATE

## RPR RATING

Exceeds  
Fully  
SuccessfulMeets Fully  
SuccessfulDoes Not  
Meet  
Fully  
Successful1. Accomplishment  
exceed rating  
2. Accomplishment  
do not support  
rating  
3. Other  
(specify)

Exceeds

Meets

Does Not  
Meet

Total

## PRB SUMMARY RATING (check one)

☒ CONCUR WITH SUPERVISORY SUMMARY RATING☐ CHANGE SUMMARY RATING TO (specify)

## PRB RECOMMENDATIONS

☐ RETAIN☐ BONUS☐ REASSIGN☐ D. RANK AWARD☐ REMOVE☐ M. RANK AWARD☐ BASE SALARY  
ADDITIONAL INCREASE \$

PRB CHAIRPERSON'S SIGNATURE &amp; DATE

## SECRETARY'S OFFICE OR AGENCY HEAD RECOMMENDATIONS

(more than one block may apply)

☐ RETAIN ☐ REASSIGN ☐ REMOVE \* ☐ BONUS \* ☐ D. RANK AWARD ☐ M. RANK AWARD ☐ SALARY INCREASE

\$ \_\_\_\_\_ \*

\* Justify on reverse recommended actions based on appraisal, summarizing briefly managerial and program accomplishments and impact on agency or Department.

SIGNATURE OF SECRETARY'S OFFICE OR AGENCY  
HEAD & DATE

## SECRETARY'S APPROVAL - FINAL RATING

SIGNATURE OF SECRETARY

DATE

RATING

SALARY INCREASE

BONUS AMT

**2004 Career SES Performance  
Compensation Guidelines**

Rating	Mandatory	Requires Secretary's Approval		
	Minimum Base Salary Increase* (base salary cannot exceed \$158,100)	Additional Base Salary Increase/Decrease* (base salary cannot exceed \$158,100)	Optional Performance Bonus**	Presidential Rank Awards (final approval required by OPM and the President)***
Outstanding	4% increase	up to 4.58% more	\$19,000; \$21,000; \$23,000	Distinguished award equals 35% of base salary; Meritorious award equals 20% of base salary at the time the awards are approved.
Superior	3% increase	up to 3% more	\$13,000; \$15,000; \$17,000	
Fully Successful	2% increase	up to 2% more	\$7,000; \$9,000; \$11,000	
Minimally Satisfactory	0% increase	up to 3% decrease	N/A	Ineligible
Unsatisfactory	0% increase	3% decrease, reassignment or removal from SES	N/A	Ineligible

Total compensation cannot exceed the Vice President's salary in one year; payout may occur over 2 years




Post employment restrictions apply to executives earning \$136,757 (86.5% of Executive Level II) or more

\*All percentage increases applied to base salary in effect before any mandatory increases

\*\*Secretary reserves authority for bonus levels above the standard bonus amounts not to exceed 20% of base salary

\*\*\*Up to 9% of SES career employees

**Examples of 2004 Career SES Performance  
Compensation Guidelines Implementation**

				Requires Secretary's Approval			Presidential Rank Awards **
Mandatory Increases			Optional Additional Base Salary Increases	Possible Bonus Levels*			
If current salary is:	And rating is:	Then base salary increases to:	The Secretary may approve an additional increase within the following range:	A	B	C	Up to 9 % of career SES employees may receive Rank Awards; Distinguished award equals 35% of base salary; Meritorious award equals 20% of base salary at the time the awards are approved
 \$145,600 (cap)	Fully Successful	\$148,512	\$148,513 - \$151,424	\$7,000	\$9,000	\$11,000	
	Superior	\$149,968	\$149,969 - \$154,336	\$13,000	\$15,000	\$17,000	
	Outstanding	\$151,424	\$151,425 - \$158,092	\$19,000	\$21,000	\$23,000	
 \$133,312	Fully Successful	\$135,978	\$135,979 - \$138,644	\$7,000	\$9,000	\$11,000	
	Superior	\$137,311	\$137,312 - \$141,310	\$13,000	\$15,000	\$17,000	
	Outstanding	\$138,644	\$138,645 - \$144,760	\$19,000	\$21,000	\$23,000	
 \$127,707	Fully Successful	\$130,261	\$130,262 - \$132,815	\$7,000	\$9,000	\$11,000	
	Superior	\$131,538	\$131,539 - \$135,369	\$13,000	\$15,000	\$17,000	
	Outstanding	\$132,815	\$132,816 - \$138,664	\$19,000	\$21,000	\$23,000	

Up to 9 % of career SES employees may receive Rank Awards; Distinguished award equals 35% of base salary; Meritorious award equals 20% of base salary at the time the awards are approved

Total compensation cannot exceed the Vice President's salary in one year; payout may occur over 2 years

Post employment restrictions apply to executives earning \$136,757 (86.5% of Executive Level.II) or more

Base Salary for SES cannot exceed \$158,100

Bonus totals limited by PRB allocations.

\*Secretary reserves authority for bonus levels above the standard bonus amounts.

\*\*Presidential Rank Awards require OPM approval



# *Guidance for the FY 2005 Presidential Rank Awards Program*

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## ATTACHMENT:

Nomination Forms

## WHAT ARE PRESIDENTIAL RANK AWARDS?

Each year, since the establishment of the Senior Executive Service (SES), the President has conferred the ranks of Distinguished Executive and Meritorious Executive on a select group of career members of the Senior Executive Service (SES) who have provided exceptional service to the American people over an extended period of time. These senior executives are outstanding leaders, who consistently demonstrate strength, integrity, industry, and a relentless commitment to public service. Through their personal conduct and results-oriented leadership, they have earned and kept a high degree of public confidence and trust. They have demonstrated their success in balancing the needs and perspectives of customers, stakeholders, and employees with organizational results. Executives from across Government are nominated by their agency heads, evaluated by citizen panels, and, finally, designated by the President. The awards are prestigious and unique.

There are two categories of rank awards for the SES. The *Distinguished Executive* rank is awarded to leaders who achieve extraordinary results. Only 1 percent of the career SES may earn this award. Distinguished Executives receive a lump-sum payment of 35 percent of their base salary, a gold pin, and a framed certificate signed by the President. The *Meritorious Executive* rank is awarded to leaders for sustained accomplishments. Only 5 percent of SES career members may receive this award, which includes a lump-sum payment of 20 percent of the executive's base salary, a silver pin, and a framed certificate signed by the President. The percent of career SES members who may receive each award is based on the governmentwide SES population as of September 30, 2004.

## SENIOR CAREER EMPLOYEES

In 2001, the rank award statute was amended to extend eligibility for these prestigious Presidential awards to certain senior career employees who have a sustained record of exceptional professional, technical, and/or scientific achievement that is recognized on a national or international level. Beginning with awards granted in 2003, the President may confer the ranks of Distinguished Senior Professional and Meritorious Senior Professional on a select group of senior career employees in a manner similar to that for career members of the SES.

Like the SES, this Distinguished rank is awarded for sustained extraordinary accomplishment. Only 1 percent of senior career employees may earn this award, which includes a lump-sum payment of 35 percent of base salary, a gold pin, and a framed certificate signed by the President. The Meritorious rank is awarded for sustained accomplishment. Only 5 percent of senior career employees may receive this award, which includes a lump-sum payment of 20 percent of base salary, a silver pin, and a framed certificate signed by the President. The percent of senior career employees who may receive each award in 2005 is based on the governmentwide number of career appointees in OPM-allocated Senior-Level (SL) and Scientific-Professional (ST) positions as of September 30, 2004.

## Eligibility Requirements and Nomination Criteria for Senior Executives

### Who is Eligible

Nominees must meet the following eligibility criteria by the nomination deadline (January 31, 2005):

- Hold a career appointment in the SES.
- Be an employee of the nominating agency.
- Have at least 3 years of career or career-type Federal civilian service at the SES level. Service does not have to be continuous. Qualifying service includes appointments in the SES, Senior Foreign Service, and the Defense Intelligence Senior Executive Service. Appointments not qualifying include noncareer, limited term, limited emergency, Scientific-Professional, and Senior-Level.

Presidential Rank Awards recognize long-term achievements. One outstanding performance rating does not justify nomination for a Presidential Rank Award, but it may justify a performance bonus. However, three outstanding performance ratings show consistently high performance over a period of time, and may merit a nomination.

You may nominate a reemployed annuitant who holds a career SES appointment and meets all eligibility requirements. Carefully consider whether this nomination would be in your best interests, since nominations and awards are limited.

A nominee who meets the eligibility requirements, but leaves the SES before being selected as a recipient, is eligible to receive the award. The same applies to a nominee who dies after we receive the nomination.

A senior executive can receive the same award only once in any 5-year period. An executive may receive one award and then the other at a closer interval. Executives are not required to receive a Meritorious award before receiving a Distinguished award.

<i>Year Award Received</i>	<i>When Eligible to Receive the Same Award Again</i>
2000	2005
2001	2006
2002	2007

Employees in Executive Schedule positions who were appointed by the President with Senate confirmation (PAS) may not receive incentive awards, including Rank Awards, according to



5 U.S.C. 4509. However, PAS employees who were career Senior Executives and elected to keep their SES status and benefits are eligible for rank awards [5 U.S.C. 3392]. Please use caution with these nominations, since Congress has expressed concern about Executive Schedule awards.

### **SES Nomination Criteria**

The law provides that the rank of Distinguished Executive is awarded for “sustained extraordinary accomplishment,” and the rank of Meritorious Executive for “sustained accomplishment.” Presidential Rank Awards are reserved for career senior executives who have a record of achievement that is recognized throughout the agency and/or is acknowledged on a national or international level. In reaching the pinnacle of achievement, rank award recipients will also have inspired their employees and earned their customers' respect. Assess your nominee's performance against the following five criteria, using measures that balance results-oriented performance with customer satisfaction and employee perspectives to help support your nomination.

1. **Leading Change**: Displayed the highest level of creativity, initiative, flexibility, and innovation to produce results that are important to the American people. (Show how the nominee displayed unusual vision in leading organizations or projects that thrived over time and are consistently recognized as extraordinary.)
2. **Leading People**: Demonstrated unusual success in building and maintaining a workforce that is diverse, well-trained, highly motivated, and productive. (Show how the nominee leveraged the capabilities of employees and other people to build a shared vision, aligned support for that vision, and motivated and encouraged people to work collaboratively to produce significant results.)
3. **Results Driven**: Has an exceptional record of achieving important program results. (Provide specific examples of how the nominee improved program operations and service delivery, cut red tape, and/or produced other notable results.)
4. **Business Acumen**: Managed the program's human, financial, material, and information resources in a manner that instilled the utmost public trust and advanced the organization's mission. (Show how the nominee optimized use of financial resources through cost reductions or cost avoidance; applied merit principles to develop, select, and manage a productive and diverse workforce; and/or used information technology systems to make significant program improvements.)
5. **Building Coalitions/Communication**: Showed an unusual level of cooperative effort with others, including those in Federal agencies, other governmental jurisdictions, and the private and nonprofit sectors. (Demonstrate how the nominee built productive stakeholder relationships that are characterized by mutual respect and contribute to program improvement and increased customer satisfaction.)

### **Nomination Limits**

Agencies may nominate up to 9 percent of their career SES appointees for rank awards.

## Eligibility Requirements and Nomination Criteria for Senior Career Employees

### Who is Eligible

Nominees must meet the following eligibility requirements by the nomination deadline, which is January 31, 2005:

- Hold a career appointment in an OPM-allocated Senior-Level (SL) or Scientific-Professional (ST) position.
- Be an employee of the nominating agency.
- Have at least 3 years of career or career-type Federal civilian service above GS-15. Service does not have to be continuous. Qualifying service does not include appointments that are time limited or to positions that are excepted from the competitive service because of their confidential or policy-making character.

Presidential Rank Awards recognize long-term achievements. One outstanding performance rating does not justify nomination for a Presidential Rank Award, but it may justify a performance award. However, three outstanding performance ratings show consistently high performance over a period of time, and may merit a nomination.

You may nominate a reemployed annuitant who holds a career appointment to an OPM-allocated SL or ST position and meets all eligibility requirements. Carefully consider whether this nomination would be in your best interests, since nominations and awards are limited.

A nominee who meets the eligibility requirements, but leaves the SL or ST position before being selected as a recipient, is eligible to receive the award. The same applies to a nominee who dies after we receive the nomination.

A senior career employee can receive the same award only once in any 5-year period. A senior career employee may receive one award and then the other at a closer interval. Senior career employees are not required to receive a Meritorious award before receiving a Distinguished award. For example, if a senior career employee receives the Meritorious Senior Professional rank award in 2004, he/she will not be eligible to receive the same award again until 2009.

### Senior Career Employee Nomination Criteria

The law provides that the rank of Distinguished Senior Professional is awarded for “sustained extraordinary accomplishment,” and the rank of Meritorious Senior Professional for “sustained accomplishment.” Presidential Rank Awards are reserved for senior career employees who have a sustained record of professional, technical, and/or scientific achievement that is recognized throughout the agency and is acknowledged on a national or international level. In reaching the pinnacle of achievement, rank award recipients will also have inspired their colleagues and earned their stakeholders' respect. Assess your nominee's performance against each of the following four criteria:

1. **Leading Change:** Displayed the highest level of creativity, initiative, flexibility, and innovation to produce results that are important to the American people. (Show how the

nominee displayed extraordinary leadership in advancing and influencing the field and agency programs with a quality of work that has consistently brought national or international recognition.)

2. **Leading People/Building Coalitions:** Demonstrated unusual success in leveraging the capabilities of colleagues to foster innovative thinking and in reconciling conflicting stakeholder interests. Showed an unusual level of cooperative effort with others, including those in Federal agencies, other government jurisdictions, academia, national or international organizations, and the private and non-profit sectors. (Demonstrate how the nominee took the initiative to reach out to stakeholders and involve them in activities that affect them and how the nominee used ingenuity to optimize effectiveness among colleagues and/or team members to achieve the end result.)
3. **Results Driven:** Has an exceptional record of achieving important results impacting the technical or scientific field, or a major program of the agency. (Provide specific examples of how the nominee developed or advanced original scientific or technical contributions or scholarly research of major significance or relevance to the field. Results are substantially more than incremental improvements over current technology or thinking that have advanced or even revolutionized the scientific, technical, or professional field.)
4. **Stature in Professional Field:** Consistently recognized nationally or internationally as a leader or authority in the field or discipline. (Comparing the nominee with others in the field, describe the level and nature of influence the nominee has had on others in or beyond the field or discipline; instances where the nominee is regularly sought as an advisor and consultant on scientific, technical, or professional programs and problems of fundamental interest and extraordinary difficulty which extend well beyond own field or discipline; and specific major honors or awards received or publications of works that have had a major impact in the field or discipline.)

### **Nomination Limits**

Agencies may nominate up to 9 percent of their senior career employees (SL and STs) for rank awards.

### **Eligibility Requirements and Nomination Criteria for Agencies Exempt from the SES**

There are several agencies whose career senior executives meet the SES definition at 5 U.S.C. 3132(a)(2), but their positions are placed in the Senior-Level (SL) system because the agency is exempt from SES coverage. These agencies receive Senior-Level (SL) space allocations from OPM for these appointees. At present, these agencies include:

Court Services and Offender Supervision Agency  
Export-Import Bank of the United States  
Federal Election Commission  
Federal Financial Institutions Examination Council  
National Security Council  
Pension Benefit Guaranty Corporation  
U.S. Holocaust Memorial Council

These agencies should use the nomination criteria established for members of the Senior Executive Service when nominating their career senior executives for rank awards. Use the nomination form for senior career employees, but indicate on the form that you are using the SES nomination criteria for these nominees. However, these agencies should use the nomination criteria established for senior career employees when nominating employees in the Senior-Level system who do not meet the statutory SES definition.

### **Preparing Nomination Packages**

Nominations are due to OPM by close of business on January 31, 2005. Send OPM a cover letter signed by your agency head and an alphabetical list of nominees for each award category (SES and Senior Career Employee) with a nomination folder for each. Include the social security number and date of birth for each nominee on the alphabetical lists. Include in the cover letter the name, phone number, and email address of your agency's Presidential Rank Awards Program contact.

### **Justification Statement**

Each nomination must be accompanied by a justification statement that concisely describes the nominee's career achievements related to each of the Presidential Rank Award criteria (five criteria for senior executives; four criteria for senior career employees). A short opening paragraph that describes the nominee's current responsibilities would help the Review Boards distinguish between ongoing work and extraordinary performance.

The justification statement may not exceed three (3) pages in length; longer justifications will be returned. Since Review Board members are private citizens, they will probably not know the intricacies of your nominee's program responsibilities. Statements that are neat, organized, and well-written make it easier for your nominee's achievements to receive the consideration they deserve. We have found that it helps if you:

- are well organized. Organize the justification in the same order as the criteria. State criterion one, support it, state criterion two, etc.
- are specific. State actions taken, impact on stakeholders, staffing levels, budget amounts, organization size, etc. Include information about customer and employee feedback, as appropriate.
- use commonly understood terms – DO NOT USE ACRONYMS or abbreviations in the justification or on the nomination form.
- promote easy reading. Double space between criteria; use 10-point type and at least .8 inch margins.
- number the pages of the justification statement.

### **Nomination Folders**

Send each nomination in standard letter-size folders, with tabs (second or third cut are preferable). For each Distinguished nominee, provide five (5) folders exactly alike and rubber

banded together. For each Meritorious nominee, provide four (4) folders exactly alike and rubber banded together. Specify whether the nomination is for the SES rank award or the Senior Professional rank award. Each folder must include the following:

**1. Label on the Folder Tab**

NAME OF NOMINEE (First, Middle Initial, Last)  
AGENCY NAME  
DISTINGUISHED SES or SP 2005

*OR*

NAME OF NOMINEE (First, Middle Initial, Last)  
AGENCY NAME  
MERITORIOUS SES or SP 2005

- 2. Presidential Rank Awards Program Nomination Form.** Each form must be complete and legible. If needed, put additional information on a separate sheet of paper (e.g., previous Presidential Rank Awards received, additional executive level positions). There is a block for the agency head's signature. If the agency head prefers signing only the cover letter, indicate as such, e.g. "/s/ cover ltr." Electronic versions of the forms are on our web site at [www.opm.gov/ses](http://www.opm.gov/ses).
- 3. Justification Statement.** Concisely describe the nominee's career achievements for each of the Presidential Rank Award criteria, as described above, in the exact same order as the criteria are listed.

Please do not use staples or paper clips in the nomination folders. We will remove and discard extraneous material. We will return incomplete folders.

**Note:** Before you send us your nominations, verify that nominees' names are complete, spelled correctly, and consistent on all materials you send us. Check to see that this is the way the nominee would like his/her name to appear on certificates, brochures, and publicity.

## **Evaluating Agency Nominations**

### **OPM Review**

We verify that each nominee meets the eligibility requirements. We also review each nomination package for completeness, using these guides:

- Is there a Presidential Rank Awards Program Nomination Form, and is it signed by the agency head?
- Is the justification statement three pages or less? If it is longer, we will ask you to revise and resubmit it.
- Is there any extraneous material in the folder? If so, we remove it.

- Are there five folders for each Distinguished nomination and four folders for each Meritorious nomination?

We enter information from the Presidential Rank Awards Nomination Forms into the Executive and Schedule C System (ESCS) database. We use the database to verify eligibility and record scores from the Review Board deliberations.

### **How Review Boards Work**

We administer the Presidential Rank Award Review Boards, composed of private citizens. There will be separate Review Boards for the SES nominations and the Senior Professional nominations. Each Board has three members who individually evaluate and rate the accomplishments described in the justification statement. Each member makes an independent judgment on the cases presented. The nominee's score is the sum of each board member's ratings.

The Review Boards for the Distinguished Rank Awards (D Boards) meet in Washington, DC, usually in March or April. We conduct inquiries on all Distinguished nominees that the Review Boards recommend for approval, and we pay the costs of these inquiries. Distinguished nominees who do not score high enough to be recommended for approval are referred to Meritorious Review Boards, if eligible. Review Boards for Meritorious Rank Awards (M Boards) meet in various locations across the country.

### **On-site Evaluations (Investigation Inquiry Process)**

Distinguished nominees that the Review Boards recommend for approval are subject to on-site evaluations. On-site evaluations are interviews with persons knowledgeable of the nominee's performance and professional accomplishments. Agency Presidential Rank Awards coordinators will be contacted by OPM's Center for Federal Investigative Services Coordinator to identify individuals to contact.

### **Withdrawing a Nomination**

You may withdraw a nomination at any time before the President approves the awards.

- To withdraw a nomination before the agency head's final certification, send us a letter signed by your agency head, or designee, asking that the nomination be withdrawn. State the nominee's name and the award he/she was nominated for. No reason is required.
- To withdraw a nomination at the time of the agency head's final certification (i.e., the "Eyes Only" certification), draw a line through the nominee's name on the list, have the agency head initial the withdrawal and sign the list, and return it to us, along with a cover letter asking that the nomination be withdrawn.
- To withdraw a nomination after the agency head's final certification is not expected and should be rare, but may be necessary in extraordinary circumstances. Call the OPM Presidential Rank Award Program Manager at (202) 606-2747, and immediately follow the phone call with a letter signed by the agency head or designee asking that the nomination be withdrawn. State the individual's name and the award for which nominated.

## **Recommendations to the President**

After the Review Boards complete their evaluations and we have the results of inquiry reports, we consolidate the board scores, prepare a ranked list, and establish final cut scores that comply with statutory limitations. We also consider the distribution of awards among agencies and other relevant factors. After review by the OPM Director, we ask agency heads to reconfirm the potential recipients through the "Eyes Only" process.

## **The "Eyes Only" Certifications**

The OPM Director sends a letter to the agency heads whose nominees successfully complete the selection process, with a list of the agency's potential recipients. The Director asks the agency head to certify that the final nominees are not involved in any situation that would cause the agency head to withdraw the nomination or would cause embarrassment after the awards are announced. Situations that could cause a withdrawal of the nomination might include being the subject of an investigation, conflict of interest, EEO complaint, or adverse legal action. We also ask agencies to consider the potential reaction of employees, customers, and other stakeholders.

Agency heads may delete nominations before signing and returning the final list of nominees. To delete a name, draw a line through the nominee's name on the list, have the agency head initial the withdrawal and sign the list, and return the list to us. Include a letter or memorandum signed by the agency head stating that the nomination has been withdrawn.

You should provide a brief, one-paragraph summary of accomplishments of the Distinguished nominees whom the agency head has certified. Provide the summary to us immediately after your agency head has responded to the "Eyes Only" letter – the paragraphs will accompany the Director's recommendations. (We will also post the summaries on OPM's website after the President's decisions.)

## **Presidential Action**

After the "Eyes Only" process is completed, the OPM Director sends the names of the reconfirmed, recommended winners to the President for approval. The President makes final decisions before the end of September.

We will call you as soon as the White House tells us that the President has approved the Rank Award winners. We also send a fax or e-mail confirming the President's approval and authorize you to distribute rank award checks and hold internal ceremonies. We will advise you at that time about appropriate publicity.

## **Paying the Awards**

Your agency pays for your executives' rank awards. You should consider and plan for awards as part of executive compensation each year. Your agency head should anticipate the need to pay winners and budget accordingly.

By mid-September, we will send you a memorandum on Presidential Rank Awards and Aggregate Compensation in the SES, which provides information about payment of the awards. The memo will advise you to take the precaution of having rank award checks drawn and ready

for the SES appointees and senior career employees certified on the “Eyes Only” reconfirmation list. This will allow you to pay awards with FY 2004 funds.

Distinguished Rank Award recipients receive 35 percent of base pay; Meritorious Rank Award recipients receive 20 percent of base pay. The award is paid as a lump-sum payment, and the payment is subject to the applicable annual aggregate limitation on pay under 5 U.S.C. 5307. Section 5307(d) permits agencies with certified performance appraisal systems for members of the Senior Executive Service (SES) and senior-level (SL) and scientific or professional (ST) employees (senior professionals) to apply a higher annual aggregate limitation on pay for those employees. The higher aggregate limitation on pay is equivalent to the total annual compensation payable to the Vice President under 3 U.S.C. 104 (\$203,000 in 2004). Agencies without certified performance appraisal systems for their SES members or senior professionals must apply an annual aggregate limitation on pay equivalent to the rate for level I of the Executive Schedule (\$175,700 in 2004). Any portion of a rank award that would cause aggregate compensation in a calendar year to exceed the applicable aggregate limitation on pay is rolled over for payment at the beginning of the following calendar year. (Additional information on the certification of performance appraisal systems for SES members and senior professionals is available at <http://www.opm.gov/oca/compmemo/2004/2004-13.asp> and 5 CFR part 430, subpart D. Additional information on the aggregate limitation on pay is available at 5 CFR part 530, subpart B, and OPM’s proposed regulations on the annual aggregate limitation on pay at <http://a257.g.akamaitech.net/7/257/2422/06jun20041800/edocket.access.gpo.gov/2004/pdf/04-17320.pdf>.)

The lump-sum award payment that is paid in the following calendar year is in addition to basic pay. The lump-sum payment is not subject to retirement, health benefits, or life insurance deductions. It is not included in the “high three” average pay computation for retirement benefits or in basic pay for thrift savings plan computation. However, the payment is subject to income tax withholding and FICA tax withholding if the executive is in the Federal Employees Retirement System (FERS) or Civil Service Retirement System (CSRS) Offset.

### **Recognition Ceremony and Awards**

We frame a certificate signed by the President for each award recipient. The Distinguished certificate features a gold emblem; the Meritorious certificate features a silver emblem. Each winner receives a Rank Award pin – gold for the Distinguished winners and silver for the Meritorious winners.

We encourage you to hold a ceremony honoring your winners. You are authorized to pay expenses connected with the actual presentation of awards under 5 U.S.C. 4503.

When possible, the President or Vice President will hold a recognition ceremony for the Distinguished and Meritorious Executives and Senior Professionals. We will advise you about any recognition ceremony scheduled by the White House.

### **Website Recognition**

We will list the names of the Distinguished and Meritorious Rank Award recipients on our web site. We will also display photos of the Distinguished Executives and Senior Professionals, along



with a brief description of their accomplishments. Your winners will be presented most effectively if you send their photos to us electronically using the following criteria:

- Professional quality portrait photo of winner only
- No office clutter in background
- Good quality 75 DPI JPEG file
- 150 by 225 pixels

Please send the photos by the end of October. To view examples of the photos and descriptive paragraphs, see the 2002 Distinguished Executives at [www.opm.gov/ses](http://www.opm.gov/ses)

#### **FY2005 PRA TENTATIVE TIMELINE**

January 31, 2005	Nominations due to OPM. We begin preparing for the evaluation of nominations
March-April	Distinguished Executive and Senior Professional Review Boards meet.
May-June	We conduct background inquiries on Distinguished nominees recommended for approval.
June-May	Meritorious Executive and Senior Professional Review Boards meet.
July	"Eyes Only" letters go to Agency Heads for final clearance.
August	OPM Director sends recommendations to the President.
September	Decision by the President.
October	Electronic photographs and summaries of Distinguished Rank Award recipients.

#### **STATUTORY BASIS FOR PRESIDENTIAL RANK AWARDS PROGRAM**

Title 5, Sec. 4507. Awarding of ranks in the Senior Executive Service

(a) For the purpose of this section, "agency", "senior executive", and "career appointee" have the meanings set forth in section 3132(a) of this title.

(b) Each agency shall submit annually to the Office [of Personnel Management] recommendations of career appointees in the agency to be awarded the rank of Meritorious Executive or Distinguished Executive. The recommendations may take into account the individual's performance over a period of years. The Office shall review such

recommendations and provide to the President recommendations as to which of the agency recommended appointees should receive such rank.

(c) During any fiscal year, the President may, subject to subsection (d) of this section, award to any career appointee recommended by the Office the rank of —

- (1) Meritorious Executive, for sustained accomplishment, or
- (2) Distinguished Executive, for sustained extraordinary accomplishment.

A career appointee awarded a rank under paragraph (1) or (2) of this subsection shall not be entitled to be awarded that rank during the following 4 fiscal years.

(d) During any fiscal year —

- (1) the number of career appointees awarded the rank of Meritorious Executive may not exceed 5 percent of the Senior Executive Service; and
- (2) the number of career appointees awarded the rank of Distinguished Executive may not exceed 1 percent of the Senior Executive Service.

(e)(1) Receipt by a career appointee of the rank of Meritorious Executive entitles such individual to a lump-sum payment of an amount equal to 20 percent of annual basic pay, which shall be in addition to the basic pay paid under section 5382 [Establishment and adjustment of rates of pay for the Senior Executive Service] of this title or any award paid under section 5384 [Performance awards in the Senior Executive Service] of this title.

(2) Receipt by a career appointee of the rank of Distinguished Executive entitles the individual to a lump-sum payment of an amount equal to 35 percent of annual basic pay, which shall be in addition to the basic pay paid under section 5382 [Establishment and adjustment of rates of pay for the Senior Executive Service] of this title or any award paid under section 5384 [Performance awards in the Senior Executive Service] of this title.

# Presidential Rank Awards Program Nomination Form – SES Appointee

## SECTION I - Nominee Information

(Type or print clearly)

Year of Nomination

Name (exactly as it should be spelled on the award)					
Title			Sex <div style="display: flex; justify-content: space-around; margin-top: 10px;">Male      Female</div>		
Agency and Post of Duty Address (include division)					
City			State		Zip Code
Date of Entry into the SES		Type of Award for Which Candidate is Being Nominated for (mark one box only)			
		<input type="checkbox"/> Meritorious Executive		<input type="checkbox"/> Distinguished Executive	
List any previous Presidential Rank Award Received by Nominee (continue on a blank sheet of paper if more space is needed)					
Year received	Distinguished	Meritorious	Year received	Distinguished	Meritorious
Executive Level Positions Nominee has held (continue on a blank sheet of paper if more space is needed)					
Executive Pay Level	From/To (month & year)	Position Title	Agency		

## SECTION II - Agency Information

Name and Title of Nominating Agency Official		Name and Title of Agency Presidential Rank Awards Program Coordinator	
Signature of Nominating Agency Official	Date	Telephone Number (include area code) and Email Address	

# Presidential Rank Awards Program

## Nomination Form – Senior Career Employee

SECTION I - Nominee Information

(Type or print clearly)

Year of Nomination

Name (exactly as it should be spelled on the award)		
Title	Sex <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <span>Male</span> <span>Female</span> </div>	
Agency and Post of Duty Address (include division)		
City	State	Zip Code
Date of Entry into SL/ST Position	Type of Award for Which Candidate is Being Nominated for (mark one box only)	
	<input type="checkbox"/> Meritorious Senior Professional <input type="checkbox"/> Distinguished Senior Prof.	

List any previous Presidential Rank Award Received by Nominee (continue on a blank sheet of paper if more space is needed)

Year received	Distinguished	Meritorious	Year received	Distinguished	Meritorious

Senior Level and/or Scientific/Professional Positions Nominee has held (continue on a blank sheet of paper if more space is needed)

SL/ST Pay Level	From/To (month & year)	Position Title	Agency

### SECTION II - Agency Information

Name and Title of Nominating Agency Official		Name and Title of Agency Presidential Rank Awards Program Coordinator
Signature of Nominating Agency Official	Date	Telephone Number (include area code) and Email Address